[English]

Loans Given by Financial Institution to PSUs

6862. SHRI SANDIPAN BHAGWAN THORAT: Will the Minister of FINANCE be pleased to state:

(a) the total amount of loans advance to the Public Sector Under taking by Industrial Development Bank of India, Industrial Finance Corporation of India, Industrial Credit and Investment Corporation of India during the last three years, year-wise and State-wise;

(b) the rate of interest fixed for these loans;

(c) whether the Government have directed the Reserve Bank of India to rationalise and restructure the present interest rates charged by financial institution; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) According to the informatin furnished by the Industrial Development Bank of India (IDBI), the State-wise direct assistance sanctioned by the three All India Term Lending Financial Institutions viz, Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), and Industrial Credit and Investment Corporation of India (ICICI), to the public sector undertakings during the years 1988-89, 1989-90 and 1990-91 is given in the statement.

(b) The Industrial Development Bank of India has reported that prior to August, 1990 institutional loans carried interest of 14% p. a. With effect from the 1st August, 1990 a two tier interest rate structure for Rupee Loans was adopted. The first tier interest rate of 14% was made applicable for an initial period of two years or the construction period of the project, whichever was the shorter, and the second-tier interest rate (normally I percentage point higher than the first thier tier interest rate) was made applicable to assisted project for the period immediately after the period of first-tier interest.

With effect from August 16, 1991, interest rates of financial institutions have been made flexible with a minimum of 15% per annum and they are free to charge an interest rate in accordance with their perception of risks and credit worthiness of borrowers. Presently All India Institutions are generally charging interest on term loans within a band of 18 to 20%.

(c) No, Sir.

(d) Does not arise.

STATEMENT

Statewise direct assistance sanctioned by all India financial institutions to public sector

(APRIL-MARCH)

(Rs. lakhs)

Sl. No.	State	1988-89			1989-90			1990-91		
		IDBI	IFCI*	ICICI	IDBI	IFCI	ICICI	IDBI	IFCI	ICICI
1	2	3	4	5	6	7	8	9	10	11
1.	Andhra Pradesh	17	–	983	1740	2135	60	1074	4161	743
2.	Arunachal Pradesh	–	–	–	–	–	–	–	–	225
3.	Assam	165	165	83	250	–	6	1640	337	–
4.	Bihar	–	235	–	–	–	–	–	–	137
5.	Goa	–	–	–	–	–	–	–	–	–
6.	Gujarat	2577	250	–	814	200	–	1550	–	–
7.	Haryana	–	–	–	11556	–	–	–	–	–
8.	Himachal Pradesh	–	–	–	–	–	–	–	–	156
9.	Jammu and Kashmir	–	–	–	–	23	–	22	–	–

(Rs. lakhs)

Sl. No.	State	1988-89			1989-90			1990-91		
		IDBI	IFCI*	ICICI	IDBI	IFCI	ICICI	IDBI	IFCI	ICICI
1	2	3	4	5	6	7	8	9	10	11
10.	Karnataka	2040	545	98	839	642	301	3315	6254	116
11.	Kerala	872	479	35	3264	1864	–	745	177	73
12.	Madhya Pradesh	–	10	–	–	40	–	225	395	–
13.	Maharashtra	354	–	–	266	43	–	4055	825	–
14.	Manipur	–	–	–	–	–	–	–	–	–
15.	Meghalaya	66	–	–	56	30	–	–	–	–
16.	Mizoram	–	–	–	–	–	–	–	–	–
17.	Nagaland	–	–	–	–	–	–	–	–	–
18.	Orissa	1560	1365	570	3592	665	–	123	1742	2474
19.	Punjab	135	225	17	442	318	80	974	812	–
20.	Rajasthan	–	–	–	4800	2215	–	247	464	–
21.	Sikkim	–	*–7	–	–	–	–	–	–	–

(Rs. lakhs)

Sl. No.	State	1988-89			1989-90			1990-91		
		IDBI	IFCI*	ICICI	IDBI	IFCI	ICICI	IDBI	IFCI	ICICI
1	2	3	4	5	6	7	8	9	10	11
22.	Tamilnadu	1083	541	–	577	250	62	768	345	–
23.	Tripura	220	–	–	–	–	–	–	–	–
24.	Uttar Pradesh	637	1012	–	3010	1255	–	2708	1289	–
25.	West Bengal	–	339	116	2383	–	–	700	235	–
26.	Union Territories	200	3978	–	–	3078	–	–	621	–
	Total	10079	9144	1902	33589	12758	509	18146	18157	4234

* Figures relate to July-March 1989.